

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
North American Communications, Inc.)
and TeleBeam, Incorporated,) File No:
Application for Assignment of)
Authorization Under)
Section 214 of the Communications)
Act of 1934, as Amended)

Pro Forma ITC-ASG-19990312-00219
NORTH AMERICAN COMMUNICATIONS, INC.

Granted
FEDERAL COMMUNICATIONS COMMISSION

date: MAY 12 1999

authorized by: TELEBEAM, INC.

To: Chief, International Bureau

APPLICATION

Rob J. Parn
signature Chief, Policy & Facilities Section

North American Communications, Inc. ("NAC") and TeleBeam, Incorporated ("TeleBeam") (jointly, the "Applicants"), hereby request authority of the Federal Communications Commission ("FCC" or "Commission"), pursuant to Section 214 of the Communications Act of 1934, 47 U.S.C. § 214, and Section 63.18(e)(5) of the Commission's Rules, 47 C.F.R. § 63.18(e)(5), for the assignment of NAC's Section 214 authorization from NAC to TeleBeam. This assignment will occur as part of a transaction whereby NAC is transferring all operating assets to TeleBeam. The transaction is described fully below.

Grant of this Application will serve the public interest, convenience and necessity. This assignment will allow the Applicants to manage their telecommunications operation more efficiently, permitting greater investment in facilities, customer services and technological innovation.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
North American Communications, Inc.)
and TeleBeam, Incorporated,) File No. _____
)
Application for Assignment of)
Authorization Under)
Section 214 of the Communications)
Act of 1934, as Amended)

To: Chief, International Bureau

APPLICATION

North American Communications, Inc. ("NAC") and TeleBeam, Incorporated ("TeleBeam") jointly, the "Applicants"), hereby request authority of the Federal Communications Commission ("FCC" or "Commission"), pursuant to Section 214 of the Communications Act of 1934, 47 U.S.C. § 214, and Section 63.18(e)(5) of the Commission's Rules, 47 C.F.R. § 63.18(e)(5), for the assignment of NAC's Section 214 authorization from NAC to TeleBeam. This assignment will occur as part of a transaction whereby NAC is transferring all operating assets to TeleBeam. The transaction is described fully below.

Grant of this Application will serve the public interest, convenience and necessity. This assignment will allow the Applicants to manage their telecommunications operation more efficiently, permitting greater investment in facilities, customer services and technological innovation.

I. THE PARTIES

A. North American Communications, Inc.

NAC is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal office in State College, Pennsylvania. NAC engages in the provision of telecommunications products and services. NAC is a nondominant carrier and holds an authorization under Section 214 to provide resold international communications services as granted in File No. ITC-90-030; DA 90-157, released February 8, 1990.

B. TeleBeam, Incorporated

TeleBeam is a corporation organized and existing under the laws of the state of Delaware with its principal office in State College, Pennsylvania. Approval of an Assignment of a Section 214 authorization is currently under consideration by the Commission at File No. ITC-92-267. That Assignment is from National Telephone Exchange, Inc. to TeleBeam, and further information regarding that Assignment is provided in that file.

II. DESCRIPTION OF THE TRANSACTION

NAC has been operating as a wholly owned subsidiary of TeleBeam. In order to simplify its corporate structure, TeleBeam is entering into a transaction under which TeleBeam is acquiring all of the operating assets of NAC, and pursuant to which TeleBeam is the single, surviving, regulated, telecommunications carrier and public utility regulated by the FCC.

During the pendency of this Application, NAC's customers will continue to be served by NAC under its tariffed rates. Upon Commission approval of this Application, TeleBeam will commence the provision of service to NAC customers, but will continue to charge these

customers NAC's present rates, and NAC will file for abandonment or discontinuance of the provision of public utility service.

Approval of this transaction is in the public interest. There will be no adverse impact on existing service to subscribers. TeleBeam has a successful record of providing telecommunications services in Pennsylvania through its wholly owned subsidiaries NAC and Smart Choice Long Distance, Inc. and is in the process of consolidating its operation of its operating subsidiaries into the parent company, including pursuing all necessary state regulatory approvals for each consolidation. The transfer of assets of NAC and the assignment of its Section 214 Authorization is a component of this general plan of consolidation.

The transaction will be transparent and seamless to all affected customers. There will be no impairment or interruption of service to subscribers as a result of this acquisition.

III. REQUEST FOR ASSIGNMENT OF AUTHORIZATIONS

Pursuant to Section 63.18(e)(5) of the Commission's Rules, the Applicants set forth the following information:

- (a) The name, address and telephone number of Applicants are:

Ara M. Kervandjian
TeleBeam, Incorporated
467 East Beaver Avenue
State College, PA 16801
(814) 238-0000 Phone
(814) 234-4821 Fax

Ara M. Kervandjian
North American Communications, Inc.
467 East Beaver Avenue
State College, PA 16801
(814) 238-0000 Phone
(814) 234-4821 Fax

(b) NAC is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania.

TeleBeam is a corporation organized and existing under the laws of the State of Delaware.

(c) Correspondence concerning this Application should be addressed to:

For NAC:

Ara M. Kervandjian
North American Communications, Inc.
467 East Beaver Avenue
State College, PA 16801
(814) 238-0000 Phone
(814) 234-4821 Fax

with a copy to:

Alan Kohler, Esquire
Jeanine Schleiden, Esquire
Wolf, Block, Schorr and Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101
(717) 237-7160 Phone
(717) 237-7161 Fax

For TeleBeam:

Ara M. Kervandjian
TeleBeam, Incorporated
467 East Beaver Avenue
State College, PA 16801
(814) 238-0000 Phone
(814) 234-4821 Fax

with a copy to:

Alan Kohler, Esquire
Jeanine Schleiden, Esquire
Wolf, Block, Schorr and Solis-Cohen LLP
212 Locust Street, Suite 300
Harrisburg, PA 17101
(717) 237-7160 Phone
(717) 237-7161 Fax

- (d) NAC is a nondominant carrier and holds an authorization under Section 214 to provide international switched voice service by the resale of the international switched voice service set forth in AT&T's Tariffs FCC Nos. 1 and 2, RCI's Tariff FCC No. 1, US Sprint's Tariffs FCC Nos. 1 and 2 and Metromedia's Tariff FCC No. 2 between the U.S. and international points listed in those tariffs as granted in File No. ITC-90-030. Under the terms of the transaction, this authorization will be assigned to TeleBeam. Approval of an Assignment of a Section 214 authorization from National Telephone Exchange, Inc. to TeleBeam is currently under consideration by the Commission at File No. ITC-92-267.
- (e)(5) Applicants request authority pursuant to the terms and conditions of § 63.18(e)(5) of the Commission's Rules for the assignment of NAC's international Section 214 authorization to TeleBeam as part of the transaction described above in which TeleBeam will acquire ownership and control of NAC's assets.
- (f) No response required.
- (g) No response required.
- (h) (1) TeleBeam hereby certifies that it does not have an affiliation with a foreign carrier within the meaning of § 63.18(h)(1) of the Commission's Rules.
 - (2) Information regarding the principal shareholders of TeleBeam is provided in Exhibit A, attached.
- (i) TeleBeam hereby certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into such agreements in the future.
- (j) The Applicants hereby certify that no party to this application, as defined in 47 C.F.R. § 1.2002(b), is subject to denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.C.S. § 853(a).
- (k) The instant application is eligible for streamlined processing pursuant to Section 63.12, 47 C.F.R. § 63.12 because TeleBeam does not have an affiliation with a foreign carrier within the meaning of Section 63.18(h)(1)(i).

CONCLUSION

Accordingly, the Applicants respectfully request that the Commission permit the assignment of authorization described herein.

Respectfully submitted,

**NORTH AMERICAN
COMMUNICATIONS, INC.**

BY:



Ara M. Kerwandjian
North American Communications, Inc.
467 East Beaver Avenue
State College, PA 16801

TELEBEAM, INCORPORATED

BY:



Ara M. Kerwandjian
TeleBeam, Incorporated
467 East Beaver Avenue
State College, PA 16801

Dated: 3/11/99

EXHIBIT A

The ten percent or greater shareholders of TeleBeam, Incorporated is as follows:

Ara M. Kervandjian P. O. Box 442 State College, PA 16804	29.6%
Hrach Kervandjian 222 Haymaker Circle State College, PA 16801	12.6%
Henry D. Sahakian 180 Haymaker Circle State College, PA 16801	14.9%

Ara M. Kervandjian, Hrach Kervandjian and Henry D. Sahakian are all United States Citizens.

Additional information about TeleBeam's business and stockholders is available upon request.